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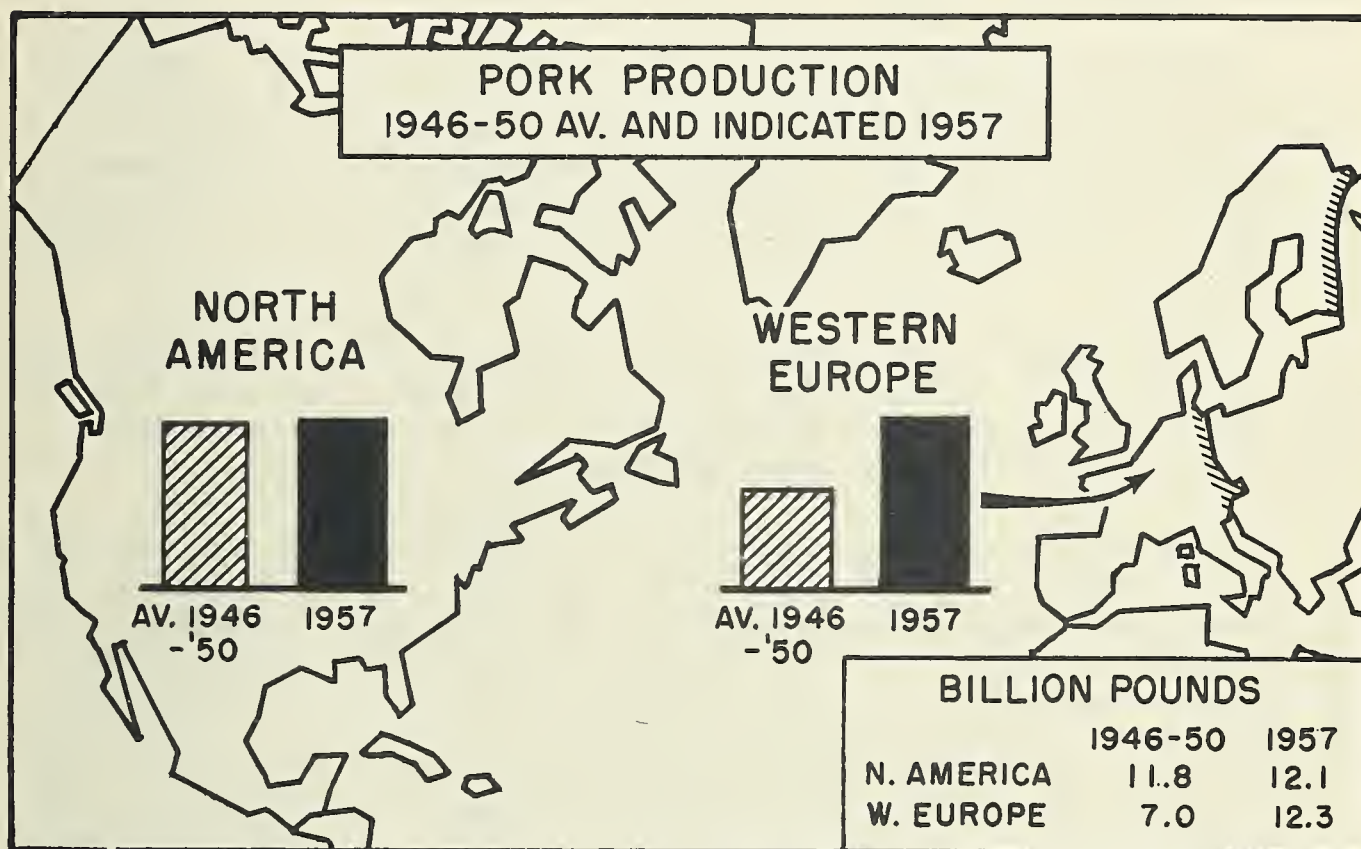
FOREIGN AGRICULTURE CIRCULAR

UNITED STATES DEPARTMENT OF AGRICULTURE
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WORLD HOG SLAUGHTER PROSPECTS IN 1957



U.S.D.A.

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World hog slaughter and pork production in 1957 is likely to show a slight decline from the high level of 1956. Total slaughter in 1956 is expected to be somewhat more than in 1955, which was the largest in any year since World War II.

Hog slaughter in Canada and the United States will decline moderately in 1957. No significant changes in the volume of slaughter are expected in either Western Europe or in the leading hog producing countries of South America. But slaughter in Australia and New Zealand is likely to increase.

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U. S. DEPARTMENT OF AGRICULTURE

Prospective smaller hog slaughter in North America in 1957 is a result of the sharp decline in hog prices in late 1955 and early 1956, which have reduced the farrowings in Canada and the United States.

Hog numbers in Western Europe are approaching the limit of available feed resources with present crop acreages and the number of other livestock being raised. Current levels of hog prices provide little incentive to raise more pigs. But conditions vary by country. In some countries like the United Kingdom lower prices to hog producers and lower price supports are holding down production. On the other hand, in France, liberal price supports, large feed grain supplies and high market prices are encouraging even larger hog production.

Reduced supplies of pork and lard in the United States and Canada in 1957 and the probable higher prices, will tend to limit exports of lard and pork from these countries. However, demand for pork products in Western Europe as a whole continues very strong with high consumer incomes. A continuation of this strong demand will generally limit the amount of pork and lard available for export from the surplus producers in Europe.

Little change in pork output in the United Kingdom in 1957 suggests the need for continued large imports to fill its requirements. The United Kingdom is the largest importer of pork in the world and relies heavily on Denmark for its import requirements.

Hog slaughter in the United States increased sharply last year to 81 million head, and is expected to total around 84 million head in 1956. A moderate decline is expected in 1957. The 1956 spring pig crop, mostly for slaughter this fall and winter, was 8 percent smaller than a year earlier. Farrowing intention reports suggest a somewhat similar decline in the size of the 1956 fall pig crop which will furnish the bulk of the slaughter supply during the spring and summer of 1957. Reported intentions for 9 Corn Belt States indicate that December 1956 - February 1957 farrowings will be 4 percent below a year earlier indicating that the downward trend in slaughter will continue at least through much of 1957. Relatively low hog prices in the United States are the direct cause of the smaller production as feed grain supplies are unusually large.

Decreased hog slaughter and rising consumption of pork in Canada will probably result in smaller exports of pork and lard. On the basis of the size of the pig crops and prospective farrowings, the Canadian Department of Agriculture has forecast a 6 percent decline in hog marketings during October-December 1956 compared with a year earlier. A decline of 11 percent is foreseen in January-June 1957. Hog prices in Canada dropped nearly to support levels in early 1956 but no pork was acquired by the government for price support. Hog prices in Canada continue low.

HOGS: Number slaughtered in specified countries, average 1946-50,
annual 1952-55 and estimated 1956-57

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Continent and Country	Average 1946-50	1952	1953	1954	1955	Estimated 1956	Estimated 1957	Percent	
								1956 of	1957 of
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	1955	1956
NORTH AMERICA									
Canada 1/	4,341	6,234	4,611	4,679	5,917	6,100	5,500	103	94
Mexico 2/	1,976	1,850	2,000	2,400	2,780	2,900	3,000	103	105
United States-Inspected.....	50,224	62,451	53,813	52,894	61,370	64,500	61,000	105	96
-Total 3/.....	55,019	86,572	74,368	71,495	81,058	84,000	79,000	104	94
Cuba 4/.....	332	248	180	153	180	215	--	119	--
EUROPE									
Austria 2/.....	1,011	2,300	2,400	400	2,589	2,770	2,850	107	103
Belgium 5/.....	1,173	2,190	2,198	2,152	2,224	2,450	2,250	110	92
Denmark 4/.....	2,599	4,868	6,244	6,905	7,500	6,900	6,800	98	99
France 4/.....	3,980	5,867	6,748	6,592	6,940	7,800	7,950	113	102
Germany, Western 4/.....	4,037	9,357	10,080	10,320	12,800	13,000	13,400	102	103
Ireland 4/.....	531	1,200	1,197	1,421	1,245	1,050	1,000	84	95
Italy 8/.....	1,804	2,316	2,246	1,775	1,914	2,300	2,490	121	107
Netherlands 5/.....	1,367	2,500	3,088	3,280	3,700	3,750	3,750	101	100
Norway 2/.....	170	404	445	475	570	--	--	--	--
Portugal 1/.....	318	433	478	441	--	--	--	--	--
Sweden 2/.....	1,707	2,163	2,372	2,622	2,509	2,385	2,615	95	110
Switzerland 2/.....	702	1,029	1,123	1,080	1,138	--	--	--	--
United Kingdom 2/ 9/.....	2,594	6,766	8,106	10,204	10,583	10,000	10,000	94	100
ASIA									
Japan 4/.....	435	1,526	1,871	1,433	1,615	--	--	--	--
Philippines 2/.....	958	1,472	1,474	1,557	1,666	--	--	--	--
SOUTH AMERICA									
Argentina 1/.....	1,409	965	1,209	1,200	1,070	1,050	1,000	98	95
Brazil 4/.....	5,250	6,140	6,207	6,200	6,473	6,630	6,790	102	102
Colombia 4/.....	669	--	599	--	--	--	--	--	--
Uruguay 4/.....	140	105	122	149	130	--	--	--	--
AFRICA									
Union of South Africa 4/.....	544	728	629	588	599	683	685	114	100
OCEANIA									
Australia 4/.....	1,584	1,466	1,486	1,714	1,912	1,850	1,900	97	103
New Zealand 4/ 10/.....	636	720	654	763	803	805	815	100	101

1/ Inspected slaughter. 2/ Total slaughter. 3/ Including farm. 4/ Commercial slaughter. 5/ Total official slaughter.
6/ Average for 4 years only. 7/ Average for 2 years only. 8/ Slaughter in towns of more than 5,000 persons. 9/ Great
Britain only. 10/ Year ending June 30.

Foreign Agricultural Service. Prepared from official statistics of foreign governments, reports of United States Foreign Service
officers and other information.

Cuba has increased the production of hogs on commercial farms by large imports of improved breeding hogs. However, the moderate gains in domestic production have not reduced its import requirements for pork and lard.

Favorable feed supplies in Mexico are encouraging hog production. Also the government is striving to decrease the nation's import requirements for pork, lard, tallows and greases by programs to help domestic livestock producers. A program is now in operation which contemplates extensive imports of purebred hogs for breed improvement.

Hog slaughter is expected to increase next year in Austria, France, West Germany, and Sweden. Little change is expected in Denmark, the United Kingdom and the Netherlands.

During early 1956 the British government announced lower price supports for hogs and higher supports for sheep and cattle so as to make hog production less attractive to producers. Another consideration was that pork could be imported at lower prices than it could be produced in the United Kingdom. On October 1 the British government terminated its long term purchase agreements for bacon and imposed a 10 percent import duty on foreign supplies.

Denmark hopes to make up some of its expected losses to the British market by increased sales of live hogs and hog products to West Germany. The 10 percent duty on U.K. imports of bacon is very significant to Danish producers as it reduces their market prices.

Hog numbers on farms in Ireland decreased 7 percent from June 1, 1955 to June 1, 1956. However, the number of bred sows on June 1, 1956 was 2 percent larger than a year earlier, indicating that the downward trend in hog numbers may be at an end. Hog slaughter this year dropped sharply from the high levels of 1954 and 1955. Exports of live hogs to England have been insignificant since May 1 when this trade was resumed for the first time in 20 years.

France's imports of pork have dropped sharply this year and the exports have increased, reflecting larger hog slaughter. In mid-year, the livestock price support agency held about 40 million pounds of pork. Quantities purchased for price support have been exported to such countries as Western Germany and Italy under special financial arrangements. Pork output is expected to continue large with price supports established for farmers equivalent to around 25 U.S. cents per pound liveweight. A large barley crop has been harvested and feed supplies are plentiful.

Increased hog slaughter in Belgium this year reduced hog prices to such an extent that the government has been subsidizing exports of pork. Exports of this surplus pork have principally been to Italy and West Germany.

The government of West Germany imported a large number of hog sides in early 1956 for storage in anticipation of a reduction in hog slaughter this summer and fall. In mid-July there were around 200,000 of these carcasses in storage which about utilized the available storage space.

The Austrian government controls imports and exports of pork to stabilize domestic hog prices. During the first 6 months of 1956 pork imports were only 1 percent of total supplies and were partly offset by exports of pork under the price stabilization plan.

With higher incomes being received, the domestic demand for pork continues strong. Demand is expected to increase further in 1957 although not as markedly as in 1956.

Slaughter of bacon pigs in the Netherlands during January-July 1956 was only slightly larger than a year earlier. Exports of bacon were up moderately from a year earlier.

The output of pork in Sweden is expected to increase during the first half of 1957. An increase of 15 percent in the number of sows bred has been indicated for the first half of 1956. On June 1, 1956 there were 2 percent more hogs on farms in Sweden than a year earlier. Sweden is harvesting a large coarse grain crop this year which will tend to promote the expansion of hog production.

Guaranteed prices of corn and other feed grains in Argentina are discouraging hog production. The granting of free exchange rates for pork has increased the exports of the first 4 months of 1956 considerably over that of 1955. In recent months this has led to a considerable number of sows and unfinished hogs being marketed.

This year there has been a sharp increase in the government support prices for grains without a corresponding increase in hog prices. The expansion in grain production may result in larger production of hogs at a future time but this will depend upon the relative profitability of exporting pork or feed grains.

Brazil's relatively large grain harvest last season may encourage an increase in hog production but such an increase would not be reflected in increased hog slaughter until late 1957.

Hog numbers are increasing in Australia. Fresh pork and cured ham and bacon have been in relatively short supply and prices of hogs and meat have increased. Slaughter in New Zealand is also expected to increase in 1957.

